



WELFARE-TO-WORK

HEALTH AND HUMAN SERVICES AGENCY



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TO: LOCAL WORKFORCE INVESTMENT AREAS
WELFARE-TO-WORK 15 PERCENT SUBGRANTEES
DOL WELFARE-TO-WORK 25 PERCENT SUBGRANTEES
COUNTY WELFARE DIRECTORS
COUNTY CalWORKs WELFARE-TO-WORK COORDINATORS
COUNTY NONCUSTODIAL PARENT COORDINATORS
COUNTY CalWORKs PROGRAM SPECIALISTS
FOSTER CARE INDEPENDENT LIVING PROGRAM COORDINATORS
FAMILY SUPPORT/CHILD SUPPORT PROGRAM ADMINISTRATORS
CALIFORNIA DEPARTMENT OF SOCIAL SERVICES STAFF
EDD EXECUTIVE STAFF
WID STAFF

SUBJECT: SUMMARY OF WtW GRANT REGIONAL FORUMS

This information bulletin transmits a summary for the Welfare-to-Work (WtW) Grant Regional Forums held throughout the state July 14 through August 9, 2000. The purpose of the WtW Grant forums was to bring local WtW Grant stakeholders together in regional meetings to provide the latest information on WtW Grant program requirements. The information included an overview of changes to the program which were signed into law November 29, 1999, and which are effective July 1, 2000, and October 1, 2000. These changes broaden eligibility requirements, require personal responsibility contracts for noncustodial parents, allow for six months of stand-alone vocational education or job training prior to placement into employment, and move WtW Grant participant reporting from the federal Department of Health and Human Services to the Department of Labor (DOL). The new law also permits State Child Support Enforcement agencies to share information with Local Workforce Investment Boards (LWIB).

The forums also focused on sharing information on how WtW Grant program grantees can best use the WtW Grant State match dollars to fund critical services to clients beginning July 1, 2000. At each of the regional forums, a panel of local practitioners showcased best practices and innovative WtW Grant program strategies. The forums also gave attendees an opportunity to network with other key players from Social Services and Local Workforce Investment Areas within their respective regions. The forums provided an opportunity for WtW grantees to pose program activity and policy

questions to the State and DOL. Highlights of the major discussion items are included in the attached summary.

Planning for the five forums was a collaborative effort of the California Department of Social Services (CDSS), Employment Development Department (EDD), and DOL. Forums were held in San Francisco, Redding, Fresno, Ontario, and Sacramento, with approximately 500 persons attending. Attendees were principally made up of representatives from LWIBs and County Welfare Department supervisors and managers. Also attending were coordinators for Independent Living Programs, Family Support/Child Support administrators, and WtW Grant 15 percent and 25 percent program grantees.

The attached summary provides highlights of the presentations and major items discussed. Please contact Jose Luis Marquez, EDD WtW Section, at (916) 654-8815, or Suzanne Nobles, CDSS, at (916) 654-2137 for any questions regarding the summary or forums.

***Original Document Signed By
Charr Lee Metsker on 9/6/00***

***Original Document Signed By
Jim Curtis on 9/6/00***

CHARR LEE METSKER
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Employment and Eligibility Branch, DSS

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Attachment

Welfare-to-Work (WtW) Grant Regional Forums Summary

I. Highlights of Presentations

A. Department of Labor (DOL)—WtW Amendments

The DOL presented the following information on the WtW Amendments signed into law November 29, 1999.

- Staggered effective dates
 - Native American Grantees: 11/29/99
 - DOL 25 Percent Grantees—11/19/99 and 1/1/00
 - State Formula Grantees (85 and 15 percent)—10/1/00 (However, there are some exceptions noted below under "Use of federal funds July 1 through September 30, 2000.")
 - Non-federal dollars (WtW Match funds)—7/1/00
- New definition of Temporary Assistance to Needy Families (TANF) assistance, which is the California Work Opportunity and Responsibility to Kids (CalWORKs), for purposes of determining eligibility for participation in the WtW Grant program.
- Law now allows six months of vocational education or job training prior to a work activity.
- Eligibility changes to the 70 percent provisions
 - Elimination of the "two out of three barriers to employment" requirement.
 - Expanding the type of assistance that qualifies noncustodial parents (NCPs).
 - Adding the provision that NCPs are exclusively served under the 70 percent provisions.
 - Adding new eligibility criteria (unemployed, underemployed, or having difficulty making child support payments) for NCPs.
 - Adding the requirement for an NCP to enter into a personal responsibility contract.
- Eligibility changes to the 30 percent provisions
 - Elimination of the NCP eligibility under the 30 percent provisions.
 - Adding CalWORKs recipients with significant barriers to self-sufficiency.
 - Adding individuals 18 to 24 who have been in foster care.
 - Adding custodial parents with incomes below the poverty line.
- Use of federal funds July 1 through September 30, 2000
 - Federal funds can continue to be used for all individuals enrolled before July 1, 2000.

- New individuals entering the program on or after July 1, 2000, must meet both the "old" and the "new" eligibility requirements in order to expend WtW Grant formula dollars between July 1 and September 30, 2000.
- Match funds can be expended prior to October 1, 2000, on individuals meeting only the "new" requirements.
- Federal funds cannot be expended on pre-employment vocational education/job training until October 1, 2000.
- Local Workforce Investment Boards (LWIB) may no longer directly provide job readiness, job placement, and post-employment services. These services must be provided through a contract or voucher.
- The definition of administration costs will be changed to the Workforce Investment Act definition. This will allow more flexibility in charging costs to program rather than administration.
- The law transfers participant reporting authority from Health and Human Services to DOL. The DOL plans to consolidate participant and financial reporting.
- The law allows State Child Support Enforcement agencies to share information with LWIBs.

B. California Department of Social Services (CDSS)—WtW Grant Program Match

The CDSS presented the following information on the WtW Grant Program Match:

- Match funds are allocated to County Welfare Departments (CWD) using the same allocation methodology as the WtW Grant 85 percent funds. Allocations are issued annually in a County Fiscal Letter.
- Options for CWDs to spend the funds
 - Operate their own program.
 - Contract with a local WtW provider.
- Spending Guidelines
 - The WtW Grant Matching funds do not have an administrative cap and there is no 70 percent expenditure requirement.
 - Funds may be spent on any of the allowable activities described in the WtW Grant program regulations. For example, hiring staff to identify and refer eligible participants, providing supportive services such as transportation and child care, providing services to NCPs, or performing intake assessment, eligibility determination and case management.
- Allocations and spending trends
 - Allocations are issued annually and any unspent funds are returned to CDSS and reallocated.
 - Approximately \$95.2 million in WtW Grant matching funds must be spent by June 29, 2001, and \$88.6 million must be spent by July 15, 2002.

- If matching dollars are not spent at the rate of \$1 for every \$2 of federal funds, the State must return the unspent funds to DOL.
- As of March 31, 2000, \$35,209,000 has been appropriated by the State Legislature and approximately \$7.2 million has been expended.

C. "Best Practices" presented by local practitioners

Each WtW Grant Regional Forum had a panel of local practitioners that provided information on how they were operating their local WtW Grant program. This generated group discussions and several groups continued their deliberations after the session was over.

II. Highlights of Items Discussed

A. WtW General Eligibility

- Questions were raised regarding the new definition of CalWORKs assistance and how it affects an individual's eligibility for the WtW Grant program. The expanded definition of "assistance" allows individuals receiving any type of CalWORKs assistance, cash or services, to be counted in determining eligibility. This includes services provided to a custodial parent who is no longer eligible for cash assistance due to employment but is receiving transitional supportive services such as transportation, childcare, or counseling. The time that the individual is receiving transitional supportive services can be included in the calculation of the 30 months on aid. However, that time does not count toward the federal 60-month lifetime limit on aid.
- Clarification was provided on the new eligibility category (30 percent provisions) for the "working poor." This new provision allows families whose income is below 100 percent of the poverty level to receive WtW Grant program services. These individuals do not need to be receiving any CalWORKs services. Poverty guidelines are issued annually by the Department of Health and Human Services (DHHS). Information regarding the poverty guidelines is available at <http://aspe.hhs.gov/poverty/00poverty.htm>. The 2000 DHHS poverty guidelines for California are as follows:

<u>Size of Family Unit</u>	<u>Poverty Guideline</u>
1	\$ 8,350
2	\$11,250
3	\$14,150
4	\$17,050
5	\$19,950
6	\$22,850
7	\$25,750
8	\$28,650
For each additional person add \$2,900	

For example, a family of four with an annual income of less than \$17,050 would be eligible for the WtW Grant program under the 30 percent provisions.

- Great interest was expressed regarding the ability to serve foster care youth. It was clarified that these are individuals, ages 18 through 24, who at any time during their life were recipients of foster care. Individuals who are 18 years old and still under the foster care program are also eligible.
- Questions were asked regarding transferring participants, enrolled under the "old" 30 percent eligibility provisions, who are now eligible under the "new" 70 percent provisions. The WtW Grant amendments allow subgrantees to make this transfer effective July 1, 2000. Instructions for subgrantees using the Employment Development Department's (EDD) Job Training Automation system will be issued.
- It was further clarified that if the last minor child or only minor child in an assistance unit will be ineligible for CalWORKs assistance because he/she will be turning 18 years of age within 12 months, the custodial parent would be eligible to participate in the WtW Grant program under the 70 percent provision.

B. WtW NCP Eligibility

- Clarification was provided on the new NCP eligibility criteria of unemployed, underemployed, and having difficulty paying child support. The DOL will be using the definition of unemployed provided under the Workforce Investment Act, which is "an individual who is without a job and who wants and is available for work." The definition of "underemployed" will be defined by the State in consultation with local entities and the definition of "having difficulty in paying child support" will be determined by LWIB in consultation with local competitive grantees and State or local child support enforcement entities.
- Concerns were raised regarding how subgrantees will determine "minor child is eligible for or receiving Food Stamps, Supplemental Security Income, Medicaid or Children's Health Insurance Program (CHIP)." The DOL stated that the regulations will provide guidance on using a proxy such as eligible for CHIP. In California, CHIP is called Healthy Families Program and information may be obtained from its Web site at <http://www.healthyfamilies.ca.gov>. To be eligible for Healthy Families Program, the family income must be 250 percent of the poverty level. For example, a family of four must have an annual income of less than \$42,636.
- There were many concerns about the requirement for an NCP to enter into a verbal or written personal responsibility contract. The contract, written or oral, must be between the NCP, WtW Grant operating entity and the local child support agency. Oral agreements are allowable but must be documented in the participant's file. It is the WtW Grant operating entity's responsibility to finalize the agreement within 30 days after the NCP has enrolled in the program, or at the option of the operating entity, no later than 90 days. If an NCP refuses to sign or agree to a contract, he/she must be terminated immediately from the program. A concern was raised whether the costs incurred prior to termination would be allowable. The DOL stated that costs incurred prior to the 30/90-day timelines would be allowable WtW Grant expenses. An additional concern was raised regarding the responsibility/obligation to share information about the NCP between the WtW

Grant operating entity and the Child Support Agency. For example, if one agency discovers the NCP is not fulfilling his/her obligations, must that information be shared with the other agency. The DOL will be researching this question and will provide clarification. However, it is essential that local partners work together to ensure that NCPs are making progress in meeting their obligations, as well as WtW Grant goals and sharing information is a critical factor.

C. WtW Grant Program Activities

- Concerns were raised regarding the new provisions that LWIBs may no longer directly provide job readiness, job placement, and post-employment services. These services must be provided through a contract or voucher. Many of the rural LWIBs are providing these services because they are the sole agency available in the area qualified to do so. The DOL and State staff will research this issue and provide guidance at a later date.
- Several questions were raised regarding the six months (pre-employment) vocational education/job training activity. The WtW Grant program dollars cannot be expended for this activity prior to October 1, 2000. However, WtW Grant match dollars can be spent effective July 1, 2000. Vocational education/job training must be linked to skills necessary to obtain and retain employment. Basic skills training and vocational or functional English as a second language can be included. However, these types of training must be associated with the minimum skill level needed for an entry-level job in the local labor market. Individuals may receive this training up to six months prior to an employment activity (subsidized or unsubsidized employment). After the six months has been completed, they must be in an employment activity in order to continue to receive additional training.
- There were concerns expressed regarding the requirement to spend 70 percent of the amount **awarded** on the "general eligibles" category. If a subgrantee does not spend the full amount of their award, they will continue to be liable for spending 70 percent of the award. Costs associated with the under expenditure may be disallowed. However, DOL stated that there may be some relief on this, but currently the requirement stands.

D. WtW Grant Program Match Funds

- Several questions were raised on what activities/services the WtW Grant match funds could be spent. The WtW Grant match can be expended on any of the allowable activities described in the WtW Grant program regulations. Services must be provided to individuals eligible under the WtW Grant program regulations; however, there is no requirement to spend 70 percent on the "general eligibles" category.
- Questions were raised concerning how match dollars can be spent on the "new" eligibles and new allowable activities. The DOL has stated that any non-federal dollars may be spent on the "new" eligible population and the six-month pre-employment training effective July 1, 2000. The WtW Grant match dollars are non-federal dollars and therefore can be used beginning July 1,

2000. The CWDs can serve the new populations directly or contract to a local service provider including the LWIB.

- Clarification was provided on how the WtW Grant matching dollars are reallocated. At the end of the fiscal year, June 30, any unspent dollars are returned to CDSS and reallocated to all 58 counties. The reallocation is based on the same formula used to distribute the original match dollars and the WtW 85 percent funds.
- A question was raised regarding how CWDs can “pass through” or contract with other local entities using State matching funds to provide WtW Grant services. The CWDs must follow their local procurement procedures for contracting services. Additionally, it was asked if a CWD ran out of matching funds, could it contract with a county that had not used its match. Yes counties may contract with other counties to use the match as long as it is agreeable with the other county.